

Disabled Young People



Updated January 2017

Introduction

When you turn 16 you may be able to claim benefits and tax credits in your own right for the first time. Until then, a parent or another adult who you live with will usually have claimed benefits or tax credits that include an amount for you. (Note: in this factsheet whenever we say 'parent' we mean whoever is responsible for you.) At 16, if you have health problems or a disability you may have a choice of whether to claim for yourself or continue to let an adult claim for you. This factsheet looks at the options for disabled young people who are still living at home. At some point before you turn 20, any benefits that your parents still get for you will stop. You then have to claim any adult benefits that you are entitled to.

The first part of this factsheet looks at how the introduction of personal independence payment (PIP) affects you if you get disability living allowance (DLA). The rest looks at when your parents can keep claiming benefits like child benefit for you between the ages of 16 and 20, and when you could claim benefits yourself instead.

Universal Credit

This new benefit has been introduced across Scotland for new claims from people who meet certain 'gateway conditions'. You do not meet the gateway conditions, and therefore cannot claim UC, if you get a disability benefit, are under 18, are in any kind of education or training or have a partner or children.

In some areas, where the universal credit full service applies, the gateway conditions above do not apply and universal credit has replaced **all** new claims for the following benefits:

- ☑ income support
- ☑ income-related ESA
- ☑ income-based jobseeker's allowance
- ☑ working tax credit
- ☑ child tax credit
- ☑ housing benefit (except for people in some kinds of supported accommodation)

The universal credit full service currently applies in parts of East Lothian, Highland, East Dunbartonshire and Inverclyde regions. It will gradually be extended to other areas and is expected to apply everywhere in Scotland by October 2018. You can use the postcode checker at <http://universalcreditinfo.net/> to check whether full service or Gateway conditions apply to you.

Universal credit will eventually completely replace the benefits listed above. Universal credit is different to income-related ESA, and the other benefits that your parent may be getting. The main differences relevant to disabled young people are set out later in this factsheet. See also www.gov.uk/universal-credit for up to date information. There is a factsheet with more information about universal credit on the CPAG website.

Claiming for a child under 16

When you are under 16 a parent claims child benefit (CB) for you. A parent may also get DLA for you because you are disabled. They may also get carer's allowance (CA). They may receive some of the benefits below because they are responsible for you. These might include amounts because of your disability.

- Child tax credit (CTC) and possibly working tax credit (WTC)
- Housing benefit (HB) and council tax reduction
- In some cases, universal credit (UC), income support or jobseeker's allowance (JSA)

Getting your own benefit when you turn 16

The benefits above are paid to your parent, even after you turn 16. However, at 16, if you can manage your own money, you are paid benefits like PIP and (if you claim them) ESA or UC. You normally need a bank account for this. If you cannot manage your money, your parent continues to be your 'appointee' and manages your benefit claims. The DWP normally contacts you and your parent before you turn 16 to discuss whether you can manage your money or not.

Personal independence payment

If you are 16 or over and do not already get DLA, you cannot claim it and instead have to claim personal independence payment (PIP) if you have a disability or long-term health condition. If you get DLA, the DWP invites you to claim PIP when you turn 16, unless you are terminally ill (you have a progressive disease from which your death could reasonably be expected within the next six months) or are a hospital inpatient. If you turn 16 while an inpatient you should not be asked to claim PIP until after you have left hospital.

If you claim PIP and do everything that you are asked, your DLA award continues until a decision is made on your PIP claim. Your DLA then ends, even if you are not awarded PIP. If this happens, you can ask for a revision of the decision.

If you are already 16 and still get DLA, the DWP will contact you over the next few years and ask you to claim PIP. Check letters about your DLA carefully to see what you need to do. Your DLA continues until a decision is made on your PIP claim. If you do not claim PIP or take part in the process of deciding your claim, your DLA will stop. This normally includes filling in a questionnaire and going for an assessment.

The rules about who can get PIP are completely different to those for DLA, so you may not get the same amount of benefit. You can get advice about claiming PIP and help with the forms from the organisations listed at the end of this factsheet. There is a separate factsheet with details about PIP on the CPAG website

Devolution of disability benefits

The Scottish Parliament will have the power to change the PIP and DLA rules, or even replace them with completely new benefits. This may not be until 2018 or later. At the time this factsheet was written we do not have detailed information about how these powers will be used.

Choices at 16

What other benefits you can claim and whether your parents can continue to claim for you after you are 16 depends on whether you are a 'qualifying young person'. The rest of this factsheet explains the different options.

Section 1. You stay on at school

If you stay on at school after 16, a parent can normally continue to get all of the benefits s/he has been getting for you. This is because you are a 'qualifying young person' (see Box 1 on the next page).

Employment and support allowance and universal credit

Income-related employment and support allowance (ESA) is a benefit for people of 16 and over who have a limited capability for work because of illness or disability. Universal credit (UC) is a similar benefit, which is replacing income-related ESA in some areas (see page 1). UC normally has a lower age limit of 18, but can be claimed by 16 or 17 year olds with a health condition or disability. If you get DLA or PIP, you may be able to claim ESA or UC in your own right while still at school. If you claim one of these benefits, child benefit and amounts for you included in any benefits or tax credits that your parent receives will stop.

Limited capability for work

To get ESA (or UC if you are under 18, or still at school), you must be assessed as having 'limited capability for work'. You can claim ESA or UC by submitting a medical certificate from your GP. Most people have to attend an examination called the work capability assessment, and your benefit stops if you do not score enough points. You can ask for the decision to be revised and if you are still unhappy after this you can appeal. You should do this within one month. You can get help from one of the organisations listed at the end of this factsheet.

If you pass the test of limited capability for work your benefit increases as you get paid one of two extra 'components' in your ESA - either the work related activity component or the support component. These start after 13 weeks. The rules are similar for UC, except that the components are called 'elements' and start after three months. From April 2017, the government plans to scrap the work related activity component (and the limited capability for work element in Universal Credit) for new claims.

The outcome of the assessment also affects what 'work-related requirements' you can be asked to meet to continue getting the full amount of benefit. If you have 'limited capability for work-related activity' (for ESA this is often called being in the 'support group') you get more money and have no work-related requirements. You may need to go for further assessments to check you should still be in this group.

If you do not have limited capability for work-related activity, you can be asked to go to interviews at the jobcentre, and may be asked to do other things to help you get a job in the future. If you do not take part your ESA or UC may be reduced. This is called a sanction. You can challenge a decision to sanction you if you have a good reason for not doing what was asked. Seek advice from one of the organisations listed at the end of this factsheet.

Income-related ESA and UC at school

If you satisfy the test of limited capability for work and qualify for DLA or PIP at any rate then you may be entitled to income-related ESA or UC while at school. The type of tuition you receive and how many hours you study are not important. If you do not get DLA or PIP, then you can only get income-related ESA or UC if you are studying 12 hours a week or less.

Both income-related ESA and UC are means-tested and may be reduced if you have any other income, or savings of £6,000 or over. They are not affected by your parents' income.

Box 1 - Who is a qualifying young person

If you are a 'qualifying young person' your parent can continue to claim benefits for you after you turn 16. You must be on a course of full-time 'non-advanced education' or 'approved training' and this can include home education in certain circumstances. You must be under 19, or be 19 and have been accepted on, enrolled on or started the course before you turned 19. References to 'school' in this factsheet apply if you receive non-advanced education or 'approved training'

Non-advanced education is study below degree and HNC level, including National 4s and 5s, Highers or advanced Highers, SVQ up to level 3 and National Certificates. In order to be full time, a course of education must be more than 12 hours a week during term time. In counting the hours, include classes and supervised study, but not meal breaks or unsupervised study, even if you are at school.

In Scotland, 'approved training' courses are Employability fund activity; but not if the training is provided under a contract of employment and you receive a wage. The number of hours you do does not matter.

In certain circumstances your parent can continue to claim benefit after you leave school, college or training. This is until the latest of these dates.

- 1 September after age 16: if you leave a course, your parent can continue to claim benefit for you until 31 August following your 16th birthday.
- Extension period: if you leave a course aged 16 or 17, and register with Skills Development Scotland, your parent can continue to claim benefit for you for a further 20 weeks (unless you reach your 18th birthday before then).
- 'Terminal date': otherwise, your parent can keep the benefits s/he claims until the last day in February, May, August or November after your course ends. Benefit stops if you turn 20 before then. If you are doing Highers and your course finishes earlier than an English equivalent, you count as being in education until the English course ends. **The terminal date rule does not apply to child tax credit.**

If you finish a course of non-advanced full-time education and are accepted on another, your parent's benefit continues in between the courses, even if you do not fit into any of the categories above. If a parent's benefit has stopped, s/he can reclaim if you start another course of full-time non-advanced education or approved training, and you still count as a qualifying young person.

Interruptions in education

Interruptions in your education can be ignored for up to 6 months, or for a longer period if the interruption is caused by your illness or disability. This allows a parent to continue claiming benefits during the gap. This only applies if the interruption is reasonable in the circumstances, and is not followed by you starting higher education or work.

Qualifying young person rules for universal credit

The rules about when you count as a 'qualifying young person' are different if your parent gets universal credit. The second and third bullet points above do not apply when you leave a course, there are no special rules if your education is interrupted, and you cannot count as a qualifying young person beyond 1 September after your 19th birthday

The amount of income-related ESA

The following table shows the weekly amounts of ESA that you get if you are aged under 25 and have no other income or savings.

Assessment phase (first 13 weeks of claim)	£57.90
Main phase + Work-related activity component	£102.15
Main phase + Support component + Enhanced disability premium	£125.05

- Everyone getting income-related ESA who is in the support group gets an extra amount of money called the enhanced disability premium of £15.75 (this is included in the table above).
- If you receive DLA highest rate care component or PIP enhanced rate daily living component, you also get the enhanced disability premium during the assessment phase or if you are in the work-related activity group.
- ESA can also include an amount called the severe disability premium, but this will not normally be paid to you if you live at home with your parents.
- Income-related ESA can be reduced if you have other income or savings, and is paid at different rates if you live with a partner.
- The government plans to scrap the work related activity component in new ESA claims made from April 2017. New claimants placed in the work related activity group will only receive £73.10 per week.

Example (April 2016 rates)

Jane is an only child. She is deafblind and lives with her mother in Edinburgh. She is 16 and goes to a school for children with sensory impairments. She is entitled to the PIP enhanced rate daily living component, and has no other income or savings. She attends school full time but can still claim ESA, because she gets PIP.

If she claims income-related ESA, she will receive a total of £73.65 ESA for the first 13 weeks of her claim. This includes an extra £15.75 because she gets the PIP enhanced rate for daily living. If she passes the limited capability for work assessment, after 13 weeks the total amount of ESA will rise either to £117.90 or £125.05 a week, depending on whether she is placed in the support or work-related activity group by the medical assessment. Jane's mother gets child benefit and CTC for her. She will no longer be entitled if Jane claims ESA.

The amount of universal credit

Universal credit is calculated monthly. The amounts for limited capability for work are called 'elements' and are normally included from three months after you claim. The following table shows the maximum amounts if you have no other income or savings.

Standard allowance (first three months of claim)	£251.77
Standard allowance + Limited capability for work element	£377.88
Standard allowance + Limited capability for work-related activity element	£567.37

There are no other extra premiums included in a universal credit award for getting DLA or PIP. Universal credit is affected by other income or savings, and if you live with a partner.

The government plans to scrap the limited capability for work element in April 2017. This is not expected to apply to those already getting the element. It will also not affect anyone assessed as having a limited capability for work related activity who will continue to see their payments increase after the initial three months.

Choosing between ESA or UC and benefits for children

If you would qualify for ESA or UC while at school, you will have a choice of whether you claim it, or your parent continues to receive child benefit and any other benefit or tax credit for being responsible for you. Whether your household (including both you and your parents) is better off overall will depend on how the amount you receive compares to the amount that would be received by your parent.

Both ESA and UC are paid at a reduced rate at the start of your claim. Once you are assessed you could receive a variety of amounts depending which benefit you can claim and the outcome of your assessment, so it can be difficult to determine in advance exactly how the overall income of the household would change. Some examples are given below.

Example

Jane's mother has quite a well-paid job, and receives only child benefit and a small amount of CTC for her, and no help with the mortgage or council tax. This totals £35.00 a week. If Jane claims ESA (or UC), the overall household income will increase as this will be higher than the CTC and child benefit.

Example

Ali gets DLA lowest rate care component, and has no savings or other income. He lives in Banff with his younger sister and his mother, who is a lone parent on jobseeker's allowance receiving child benefit and maximum CTC. If Ali claims ESA, his mother will lose a total of £127.31 a week child benefit and CTC.

There will be a drop in the overall income of the family of over £69 for the first 13 weeks of his claim. At the end of the assessment phase the family will still be worse off, as Ali's ESA award will be lower than the amount of CTC and child benefit his mother received for him. If he receives the support component the family will lose out by just under £2 a week. If he receives the work-related activity component the family will be worse off by over £25 a week.

In general terms, if you claim ESA or UC and are the only child that your parent currently receives benefits or tax credits for, the total household income is likely to go down unless your parent only receives a small amount of benefit. Removing you from the claim may also mean that your parent stops being entitled altogether to WTC, IS, HB or council tax reduction, as well as CTC stopping. No longer qualifying for these benefits may mean that your parent is not entitled to other help such as free prescriptions.

Example

Kirsty is an only child. She gets PIP and lives with her father in East Lothian. He works 16 hours per week earning £120. He gets WTC and CTC of about £200 a week plus child benefit of £20.70. Kirsty cannot claim income-related ESA so would claim universal credit. If she does so, her dad will lose all entitlement to WTC, CTC and child benefit, and will have to claim universal credit instead. The move to UC might lose the family over £100 per week.

Also, if your parent receives the maximum amount of CTC which includes a disabled child element for you, then your ESA will be less than the amount of child benefit and CTC that your parent loses, even if they can still claim these benefits for other children. Your family should get advice from one of the

agencies mentioned at the end of this factsheet to check how your total income will be affected by you claiming ESA or UC, including the effect on any housing benefit and council tax reduction your parent gets.

If you claim ESA, you can later choose to end your claim and go back to your parent claiming benefit for you, if s/he would still be able to do so (see Box 1 above). However, your parent may then have to claim UC instead depending on where you live (see page 1), so you should get advice about this.

Part-time education

If your course is 12 hours or less a week, then a parent cannot claim any benefits for you (but see Box 1 above for information about when a parent may be able to keep claiming for you for a time after your hours of education have reduced or ended). Once your parent's benefit stops you can claim ESA or UC yourself, regardless of whether you get DLA or PIP.

Section 2. You leave school and start college

If you have left school and started college, your education is either 'advanced' or 'non-advanced'. Paragraph two of Box 1 above explains how to work out if your education is advanced or not. If your education is non-advanced, section 1 about staying at school applies to you. If the education is advanced, go to section 3 below about higher education.

ESA, universal credit and bursaries

If you can get income-related ESA, you do not normally get a maintenance bursary from your college. If you get Universal Credit you may receive a maintenance bursary of £28 per week. If you receive a grant for travel, books and equipment or any additional support needs for learning allowance for disability costs, these are ignored as income. Receiving an education maintenance allowance (EMA) does not affect your ESA or UC.

Section 3. You leave school or college and go into higher education

A parent cannot continue to receive benefits or tax credits for you if you are in higher or 'advanced' education. This means your only option apart from student finance is to claim ESA or UC. Advanced education includes:

- Higher National Certificate (HNC) and Higher National Diploma (HND) courses;
- SVQ levels 4 or 5;
- Degree and postgraduate courses.

Income-related ESA

If you are in full-time higher education you can only claim income-related ESA if you also receive DLA or PIP. 'Full-time' means that that your university or college says that the course is full-time. As a full-time student in higher education who is on DLA or PIP, you are exempt from the test of limited capability for work in the work capability assessment for ESA. You are not exempt from the assessment of whether you should be in the support group or not.

Universal credit

If you must claim universal credit instead of ESA (see page 1), you have to both get DLA or PIP **and** satisfy the test of limited capability work to qualify if you are a full-time student in higher education. The definition of full-time is the same as that for income-related ESA (see above).

Benefits and student loans

You may satisfy all of the conditions of entitlement to income-related ESA or universal credit but not receive any during term time. This is because most available student income will be taken into account. The maximum student loan you could get will be taken into account, whether you apply for it or not. You may still be entitled to ESA or UC in the summer holidays, when the loan is ignored.

If your course is part-time, you can claim income-related ESA (or UC) even if you are not on DLA or PIP, but you are not exempt from the test of limited capability for work.

Section 4. You leave school and do not continue in education

If you do not continue in education then you can claim ESA or UC when you no longer count as a 'qualifying young person' (or straight away if you get DLA or PIP). Box 1 above explains when you count as a qualifying young person after leaving education, and the information in section 1 about choosing whether to claim benefits yourself will help you to decide which is the best option if you have a choice.

Section 5. You go into work

If you are in education and a parent still claims benefit for you, then you can work and their benefit will not be affected. However, if a parent is receiving extended payments after you leave education as described in Box 1, and you work 24 hours a week or more, any benefit your parent receives for you will stop.

ESA

Normally if you are working you cannot get ESA, but it may be possible to do some work and still get ESA. This can include:

- any work earning up to £20 a week;
 - work earning up to £115.50 a week which is:
 - part of a treatment programme and done under medical supervision;
 - supervised by someone whose job is to find work for disabled people; *or*
 - under 16 hours a week for up to 1 year. This 1 year limit does not apply if you are in the support group.
- From April 2017 the government plans to also remove time-limiting for people in the work related activity group.

If your work does not fit into any of these categories then you cannot get ESA. Voluntary work, work experience and training courses can also affect ESA, so get advice before you start.

Working tax credit

If you work 16 hours a week or more you may be able to claim working tax credit (WTC) and have a disability that puts you at a disadvantage in getting a job. You must also satisfy a qualifying benefit test, either by getting DLA or PIP, or by having received ESA before you started work. See CPAG's *Tax Credits for Disabled Workers* factsheet for further details (available from the CPAG website). If you do claim WTC then any benefits or tax credits a parent receives for you will stop.

Universal credit

In some areas you may have to claim UC instead of WTC if you move into work (see page 1). The rules are different. If you work and earn at least the national minimum wage x 16 hours (currently £499.20 pm) you are normally treated as **not** having a limited capability for work or work related activity. This means that your universal credit award won't include an extra element. However an exception is made if you either get DLA/PIP or have already previously been assessed as having a limited capability for work or work related activity.

If you have a limited capability for work or work related activity then part of your earnings are disregarded (called a 'work allowance'). Your universal credit is reduced by 65 per cent (63% from April 2017) of your earnings above the work allowance. If you are under 18 you must meet the test of limited capability for work or be awaiting assessment to get universal credit or fall into certain other specific groups.

How to claim ESA

You start a claim by phoning 0800 055 6688 (textphone 0800 023 4888). There is more information about claiming ESA online at www.gov.uk. Paper claim forms should also be available if you cannot use the telephone. If you are not able to manage an ESA claim someone else can apply to the DWP to be your appointee.

How to claim PIP

You start a claim by phoning 0800 917 2222 (textphone 0800 917 7777). There is more information about claiming PIP online at www.gov.uk. You can ask for a paper form if you cannot claim by phone, although the easiest way to do this is to contact the claims phone number. If you are not able to manage a PIP claim someone else can apply to the DWP to be your appointee.

How to claim universal credit

Remember that most people who get DLA or PIP should claim ESA instead of universal credit (see the box on page 1 for details). Normally you must claim universal credit online at www.gov.uk. If you need help this may be available in your local area, or you can ask the DWP for help by phoning 0345 600 0723 (textphone 0345 600 0743).

Further information and advice

Help with claiming and checking if you are entitled

A local CAB, welfare rights adviser or advice agency will have detailed information about benefits, tax credits and other financial help which may be available and should be able to help with claiming. For help over the telephone, call:

- Contact a Family Helpline 0808 808 3555 (Monday to Friday, 9.30am-5pm)
- CarersLine 0808 808 7777 (Monday to Friday, 10am-4pm)

Child Poverty Action Group in Scotland advice line for advisers

Telephone: 0141 552 0552 Monday to Thursday 10am-4pm and Friday 10am-12 noon

Email: advice@cpagscotland.org.uk

CPAG in Scotland's advice line is only for advisers. If you are having problems with your own tax credit or benefit claim and are in need of advice you should contact the organisations listed above.

Website: www.cpag.org.uk/scotland

for more factsheets from CPAG in Scotland

CPAG publishes the *Welfare Benefits and Tax Credits Handbook*, a comprehensive guide to benefits and tax credits for claimants and advisers.

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